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ABSTRACT

Information about the money most likely used by elementary school students in their transactions is presented in a four-part series. The unit is designed to supplement the teacher's regularly assigned materials in economics education. Each successive part presumes some incremental educational experience by the students. Part 1 includes lessons on the recognition of coins up to a dime and numerical relationships among these coins, coloring exercises, and exercises involving beginner's arithmetic. Part 2 contains lessons on the recognition of coins up to a quarter and numerical relationships among these coins, and arithmetic exercises on how to make change. Part 3 includes a lesson on the recognition of money up to a dollar, a lesson on the uses of money, and an exercise on making change. Part 4 consists of lessons on agencies that produce currency, the flow of currency from those agencies to the general public, and the demand for and supply of money. Test questions are included. Each part has a one-page teacher's guide that gives the general description, objectives, and format of the subject matter, and includes suggestions for classroom procedures. (JB)

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MY MONEY
A Four-Part Series on Money for Students in Elementary School

by
James F. Tucker and Barbara W. Garber
FEDERAL RESERVE BANK OF RICHMOND

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MY MONEY

A Four-Part Series on Money
for Students in Elementary School
by
James F. Tucker and Barbara W. Garber
FEDERAL RESERVE BANK OF RICHMOND

My Money is a four-part series of published materials on the money most likely used by elementary school students in their financial transactions. Each part consists of lessons on money and exercises for evaluating the student's understanding of this information and other classroom discussions about money. *My Money* is designed to supplement the teacher's regularly assigned materials in economics education and to augment specifically other classroom information on United States money.

No single part or combination of parts of this series is designated for a specific grade level. Teachers should review the description of each part and decide whether it is suitable for a particular class or grade level. Each successive part presumes some incremental educational experience by the students.

1. DESCRIPTIONS
   - Part I — lessons on the recognition of coins up to a dime and numerical relationships between these coins, exercises requiring coloring by the student, and exercises involving beginner's arithmetic.
   - Part II — lessons on the recognition of coins up to a quarter and numerical relationships between these coins, and arithmetic exercises on how to make change with these coins.
   - Part III — a lesson on the recognition of money up to a dollar, a lesson on the uses of money, an exercise on making change up to a dollar, and an exercise on learning the various uses of money.
   - Part IV — lessons on agencies that produce currency, the flow of currency from agencies to the general public, and the demand for and supply of money. Test questions are included.

2. FORMAT
   The basic material for each part in the series is a four-page leaflet. In Parts I, II, and III, the exercises for evaluation are included in these four pages. In Part IV, the exercises (tests) for evaluation are on a separate sheet.

3. TEACHER'S GUIDE
   Each part has a one-page Teacher's Guide which gives the general description, objectives, and format of the subject matter in the informational materials. This guide also includes suggested classroom procedures for achieving maximum effectiveness from each part of the series. The key to tests for Part IV is in the Teacher's Guide.

4. TESTS OR EVALUATION EXERCISES
   Each test or exercise has a specific objective associated with learning more about money in the United States. A supplemental objective of all of these tests and exercises is to improve the student's facility with basic reading and arithmetic.

5. SPECIAL EQUIPMENT AND MATERIALS
   No part of this series requires special equipment or classroom materials. Crayons or colored pencils may be used to complete the evaluation exercises in Part I.

These materials are produced by the Federal Reserve Bank of Richmond and may be obtained free of charge by sending the order form from the enclosed brochure to the:

Public Services Department
Federal Reserve Bank of Richmond
P.O. Box 27622
Richmond, Virginia 23261

TEACHER'S GUIDE

MY MONEY — Part I

by
James F. Tucker and Barbara W. Garber
Federal Reserve Bank of Richmond

General Description

This is the first of a four-part series on U.S. money that elementary school students are likely to use. The information in Part I focuses on recognition of small-denomination coins, as well as on the relationships among these coins. Part I also provides tests on the students' understanding of the information.

Objectives

Part I has three objectives. The main objective is to teach students how to recognize the penny, nickel, dime, and quarter. The second objective is to teach students the relationships between these coins. A third objective is to provide students with an opportunity to apply their training in arithmetic.

Format and Classroom Procedure

Part I is published as a four-page leaflet that contains two lessons on the recognition of four denominations of coins and two exercises for the evaluation. The lessons contain reasonable facsimiles of the coins to assist the student with recognition, along with silhouettes of each coin to be used in learning the relationships between these coins. The suggested classroom procedure is to discuss the recognition of coins and relationships in the lesson and then administer the accompanying exercises.

Materials

Crayons or colored pencils for students to complete the exercises on pages 2 and 4 are the only classroom materials needed for Part I. To assist in the recognition of coins, the teacher might want to display real coins and invite the students to identify each one.

① LESSON 1

Penny = 1 Cent

Nickel = 5 Cents

Dime = 10 Cents

② 5 Pennies

= 1 Nickel

(5 Cents)

③ 10 Pennies

= 1 Dime

(10 Cents)

④ 2 Nickels

= 1 Dime

(10 Cents)

⑤ 5 Pennies

+ 1 Nickel = 1 Dime

(10 Cents)

⑥

EXERCISE 1

Penny

Nickel

Dime

⑦ Color 3 pennies brown

⑧ Color 5 pennies brown

⑨ Color 8 nickels red

⑩ Color 4 dimes blue

⑪ Color 2 nickels brown Color 3 nickels blue Color 5 nickels red

⑫ Color 3 dimes red Color 7 dimes blue

⑬

LESSON 2

Quarter
or
25 cents

⑭

5 Nickels

1 Quarter

⑮

2 Dimes

5 Pennies

1 Quarter

⑯

1 Dime

3 Nickels

1 Quarter

⑰

2 Dimes

1 Nickel

1 Quarter

⑱

1 Dime

2 Nickels

5 Pennies

1 Quarter

⑲

10 Pennies

+ 7

1 Nickel

1 Dime

1 Quarter

20

EXERCISE 2

Color 15 cents

21

Color 20 cents

22

Color 25 cents

23

Color 10 cents

24

Color 12 cents

25

Color 17 cents

EVALUATION QUESTIONNAIRE

MY MONEY — Part I

Teacher: _____

School: _____

City and State: _____ Zip _____

1. Were the purposes and objectives clear? Yes_____ No_____

2. In your opinion, what is the proper grade level for this part? _____

3. Did the students seem to enjoy the coloring exercises? Yes_____ No_____

4. Do you think that the coloring of the facsimiles of the coins in the exercises was as effective as similar exercises that call for placing an "X" mark on the picture of a coin? Yes _____ No _____

5. Did the students have difficulty with the arithmetic required by the exercises? Yes _____ No_____

6. How would you rate the overall performance of your students on the two exercises?
   Excellent _____ Good _____ Fair _____ Poor_____

7. Were you required to provide extended directions to the students before they proceeded with the exercises? Yes _____ No _____

8. Please indicate your overall appraisal of Part I (please check one).
   Excellent _____ Good _____ Fair _____ Poor _____

Please send this evaluation to:

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Research Department
Federal Reserve Bank of Richmond
P.O. Box 27622
Richmond, Virginia 23261

TEACHER'S GUIDE

MY MONEY — Part II

by
James F. Tucker and Barbara W. Garber
Federal Reserve Bank of Richmond

General Description

This is the second of a four-part series on U.S. money that elementary school students are likely to use. Part II reviews identifications of coins and their relationships to one another and gives lessons in making change. The exercises provide the students with opportunities to use addition and subtraction, and give the teacher ways to evaluate students' understanding of the values of coins.

Objectives

There are two basic objectives of this second part of the *My Money* series. One of these continues the objectives of Part I, namely, to teach students how to recognize money and to help them understand the numerical relationships between various components of money. The other objective teaches students how to make change with money by providing various arithmetic exercises.

Format and Classroom Procedure

Part II is published as a four-page leaflet that contains two lessons and two evaluation exercises on money. For both exercises, the teacher may collect the four-page documents and give grades for the performance on the exercises or ask individual students to respond orally in class on their answers to these exercises.

Materials

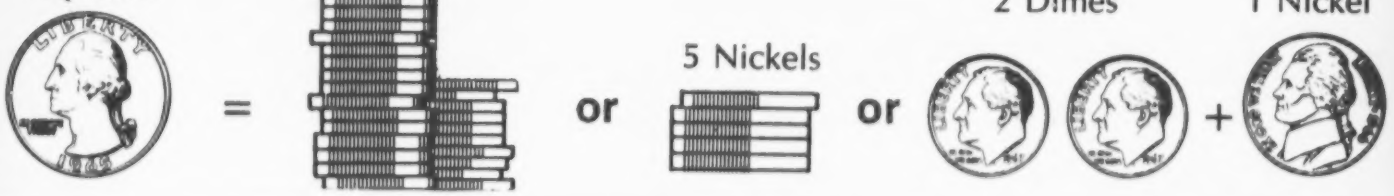
No special or additional materials are needed for Part II of the series. To assist in the recognition of coins, the teacher might want to display real coins and invite the students to identify them.

FEDERAL RESERVE BANK OF RICHMOND

LESSON 1

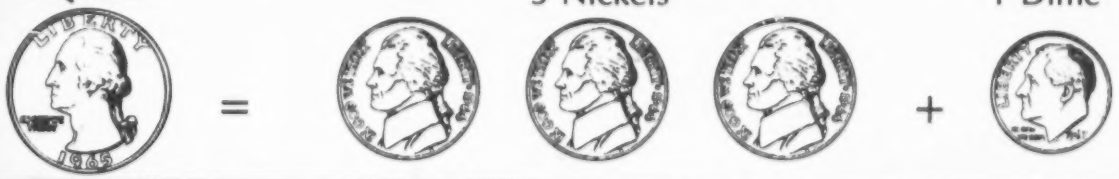
① Penny Nickel Dime Quarter

② 1 Quarter = 25 Pennies or 5 Nickels or 2 Dimes + 1 Nickel



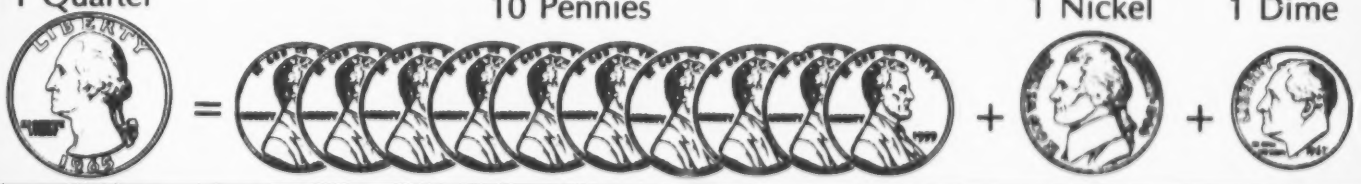
③ 1 Quarter = 5 Pennies + 2 Dimes

④ 1 Quarter = 3 Nickels + 1 Dime



⑤ 1 Quarter = 5 Pennies + 4 Nickels

⑥ 1 Quarter = 10 Pennies + 1 Nickel + 1 Dime



⑦ 1 Quarter = 5 Pennies + 2 Nickels + 1 Dime

EXERCISE 1

⑧ Color 16 cents

⑨ Color 23 cents

⑩ Color 34 cents

⑪ Color 50 cents

⑫ Color 43 cents

⑬ Color 29 cents

⑭ Color 37 cents

⑮ Color 52 cents

LESSON 2

⑯ 1 Quarter — 5 Pennies = 20 Cents

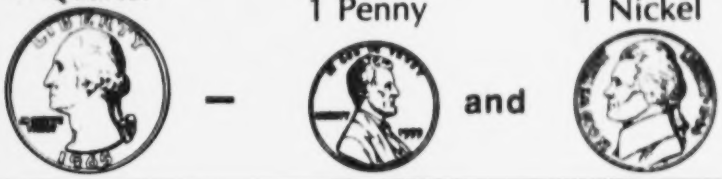
⑰ 1 Quarter — 2 Dimes = 5 Cents

⑱ 1 Quarter — 1 Dime = 15 Cents

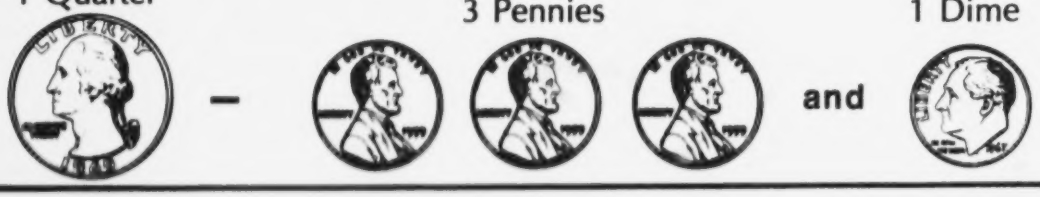
⑲ 1 Quarter — 3 Nickels = 10 Cents

⑳ 1 Quarter — 4 Nickels = 5 Cents

㉑ 1 Quarter — 1 Penny and 1 Nickel = 19 Cents



㉒ 1 Quarter — 3 Pennies and 1 Dime = 12 Cents



㉓ 1 Quarter — 4 Pennies and 1 Dime = 11 Cents

EXERCISE 2

COLOR THE CORRECT AMOUNT OF CHANGE
THAT YOU SHOULD GET BACK

1. You buy a 3-cent piece of bubble gum and give the clerk a dime

2. You buy a 10-cent cookie and give the clerk a quarter

3. You buy a newspaper for 21 cents and give the clerk a quarter

4. You buy a pack of gum for 17 cents and give the clerk a quarter

HOW MANY COINS WOULD YOU GIVE AS CHANGE?

Example:
You sell lemonade for 10 cents to a woman who gives you a quarter

Pennies	Nickels	Dimes
5	2	

1. You sell a cookie for 5 cents to a friend who gives you a dime

Pennies	Nickels	Dimes

2. You sell a ball for 11 cents to a friend who gives you 2 dimes

Pennies	Nickels	Dimes

3. You sell a newspaper for 13 cents to a man who gives you a quarter

Pennies	Nickels	Dimes

EVALUATION QUESTIONNAIRE

MY MONEY — Part II

Teacher: _____

School: _____

City and State: _____ Zip _____

1. Were the purposes and objectives clear? Yes_____ No _____
2. In your opinion, what is the proper grade level for this part?
3. Did the students seem to enjoy the coloring exercises? Yes _____ No _____
4. Do you think that the coloring of the facsimiles of the coins in the exercises was as effective as similar exercises that call for placing an "X" mark on the picture of a coin? Yes _____ No _____
5. Did the students have difficulty with the arithmetic required by the exercises? Yes _____ No_____
6. In your opinion, was Lesson 2 useful and practical? Yes _____ No _____
7. In your opinion, was Lesson 2 too difficult? Yes _____ No _____
8. In your opinion, which of the two formats for making change in Exercise 2 is most preferable?
   Top Format _____ Bottom Format _____
9. How would you rate the overall performance of your students on the two exercises?
   Excellent _____ Good _____ Fair _____ Poor _____
10. Were you required to provide extended directions to the students before they proceeded with the exercises? Yes _____ No _____
11. Please indicate your overall appraisal of Part II (please check one).
    Excellent _____ Good _____ Fair _____ Poor _____

Please send this evaluation to:

James F. Tucker
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P.O. Box 27622
Richmond, Virginia 23261

TEACHER'S GUIDE

MY MONEY — Part III

by
James F. Tucker and Barbara W. Garber
Federal Reserve Bank of Richmond

General Description

Part III of the four-part series on U.S. money reviews relationships between various components of currency, discusses the uses of money, and continues the lessons on making change. Part III assumes that the students are at a certain reading level and are familiar with places where money is spent.

Objectives

The main objective of Part III is to ensure that students in elementary schools are acquainted with all of the basic components of our money or cash as used in the United States today. A secondary objective is to provide students with exercises in which they can combine the recognition of money with meaningful exercises in arithmetic.

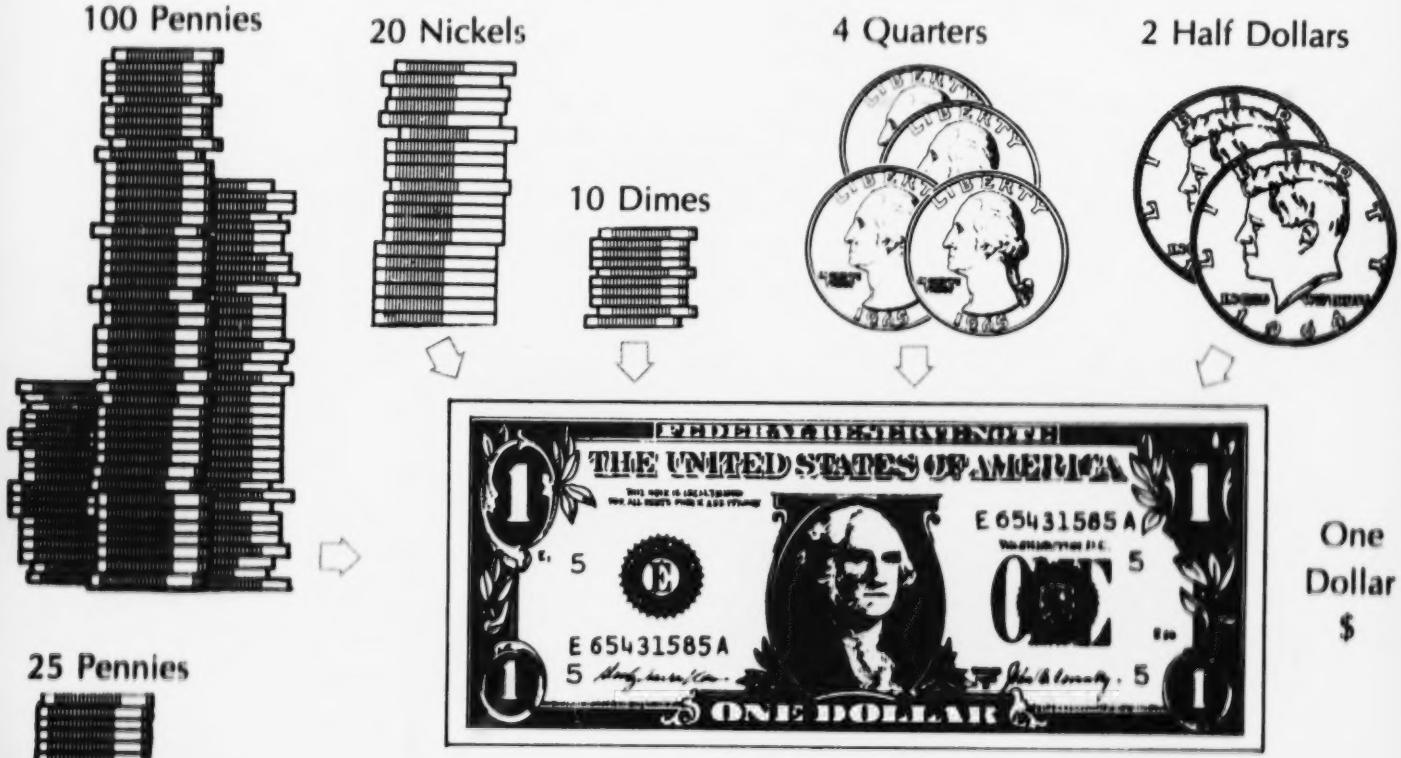
Format

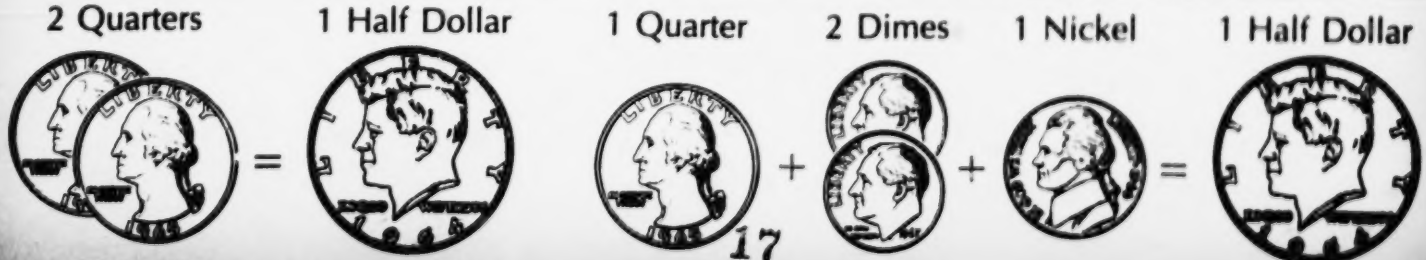
Part III includes a four-page leaflet with lessons and exercises on the recognition of money, relationships between components of money, and the uses of money.

MY MONEY — Part III

by
James F. Tucker and Barbara W. Garber
FEDERAL RESERVE BANK OF RICHMOND

LESSON 1





EXERCISE 1

MAKING CHANGE BY USING MORE THAN ONE DENOMINATION OF COINS

Example:

John agrees to pay Ken 27 cents for a comic book. He gives Ken two quarters. Ken owes John __23__ cents in change. He gives John

Pennies	Nickels	Dimes	Quarters
3	2	1	

A. You are the clerk at a hotel and a customer asks you for change for a dollar because he needs two dimes to use the telephone. You give the customer

Pennies	Nickels	Dimes	Quarters

B. You are the clerk at a store. John buys a 7-cent bar of soap and pays for it with a quarter. You owe John _____ cents. You give him

Pennies	Nickels	Dimes	Quarters

C. You are the clerk at a drug store. Amy buys a 28-cent newspaper and pays for it with two quarters. You owe Amy _____ cents. You give her

Pennies	Nickels	Dimes	Quarters

D. Your friend owes you 67 cents and pays you with a dollar. You owe your friend _____ cents. You give her

Pennies	Nickels	Dimes	Quarters

E. You are the clerk at a store and a customer buys a loaf of bread that costs 33 cents. She pays you with a dollar. You owe the customer _____ cents. You give her

Pennies	Nickels	Dimes	Quarters

F. You are the clerk at a hotel desk. A customer wants to buy a pack of chewing gum for 22 cents and also wants one quarter and one nickel in his change for use in a pay telephone. He pays you one dollar for the gum. You owe the customer _____ cents. You give him

Pennies	Nickels	Dimes	Quarters

LESSON 2

USES OF MONEY

Money is used to buy groceries. Groceries are bought at stores, and the money is paid to cashiers who work at the stores. Some stores are large. Others are small.

Money is used to buy medicine at drugstores. People need medicine when they are sick. Doctors tell people when they should buy medicine.

Money is used by people who own cars. People use money to buy gasoline for their cars. People buy gasoline at service stations.

Money is saved by people. For safekeeping, some people save money by taking it to a bank.

Money is used to pay taxes. Taxes are paid to the government which uses the money to build roads and schools.

Money is often used to make donations to organizations that help needy people. Some of these organizations are located in our own neighborhoods.

Money is used when people travel. Sometimes, people stay at hotels when they travel. People pay money to the hotels for staying there during the night.

Money is used to pay the fare when we ride on the city bus. In some cities, we must have the exact change for the fare.

Money is used when people have fun. People pay money to go to the movies where they have fun.

Money is given to children to buy things. Some children buy candy. Some children buy cookies.

CHECK THE RIGHT PLACE

1. For safekeeping, money should be taken to a:
   ☐ Church ☐ Store ☐ Bank ☐ School

2. Money is paid as taxes to:
   ☐ Government ☐ Church ☐ Store ☐ Service Station

3. Money is used to buy gasoline at a:
   ☐ Bank ☐ Church ☐ Service Station ☐ School

4. On Sunday, money is usually given to a:
   ☐ Service Station ☐ Bank ☐ Church ☐ School

5. On overnight travel, money is often paid to a:
   ☐ Bank ☐ Hotel ☐ School ☐ Church

6. Money is used to buy groceries at a:
   ☐ Bank ☐ Church ☐ Store ☐ Hotel

7. When people are sick, they may use money to buy medicine at a:
   ☐ School ☐ Drugstore ☐ Church ☐ Hotel

8. To keep from losing money, many children carry money in their:
   ☐ Hat ☐ Pockets ☐ Toys ☐ Shoes

9. Money is used when people pay to have fun at the:
   ☐ Hospital ☐ Bank ☐ Movies ☐ Store

10. Money is given to children to buy such things as:
    ☐ Clothes ☐ Cookies ☐ Gasoline ☐ Medicine

EVALUATION QUESTIONNAIRE

MY MONEY — Part III

Teacher: _____

School: _____

City and State: _____ Zip _____

1. Were the purposes and objectives clear? Yes _____ No _____
2. In your opinion, what is the proper grade level for this part? _____
3. Did the students seem to enjoy Exercise 1? Yes _____ No _____
4. In your opinion, was Exercise 1 useful? Yes _____ No _____
5. Were the reading level and arithmetic requirement appropriate for the same grade level?
   Yes _____ No _____
6. If your answer to Question #5 is "No," which is the appropriate grade level for the two requirements? Reading _____ Arithmetic _____
7. Did you decide to use the exercises as regular classroom evaluations? Yes _____ No _____
8. How would you rate the overall performance of your students on the two exercises?
   Excellent _____ Good _____ Fair _____ Poor _____
9. Were you required to provide extended directions to the students before they proceeded with the exercises? Yes _____ No _____
10. Please indicate your overall appraisal of Part III (please check one).
    Excellent _____ Good _____ Fair _____ Poor _____

Please send this evaluation to:

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Richmond, Virginia 23261

TEACHER'S GUIDE

MY MONEY — Part IV

by
James F. Tucker and Barbara W. Garber
Federal Reserve Bank of Richmond

General Description

Part IV of the four-part series reviews some of the special elements of money as used in the United States today and discusses money's place in our economic system. Topics include the functions of money, the demand for and supply of currency, the value of money, and the impact of money on economic specialization.

This part also discusses the control of money as one of the responsibilities of the Federal Reserve System and the handling of money as one of the services provided by Federal Reserve Banks.

Objectives

The purpose of Part IV is to relate the issuance, use, and special elements of money to the power of government and to show how various aspects of money can be explained through the use of economic analysis.

Format and Classroom Procedure

Part IV includes a four-page leaflet with a discussion of the information outlined above and a separate page of tests on this information. Teachers may want to distribute the information leaflets to students for review at home and discuss the information in class on the following day. The tests may be given on the day of the classroom discussion or on the following day. The key to the tests is provided below.

KEY TO TESTS

Matching Test		True or False Test
1. H	6. B	1. False
2. G	7. D	2. True
3. F	8. A	3. False
4. J	9. I	4. False
5. C	10. E	5. True

MY MONEY — Part IV

by
James F. Tucker and Barbara W. Garber
FEDERAL RESERVE BANK OF RICHMOND

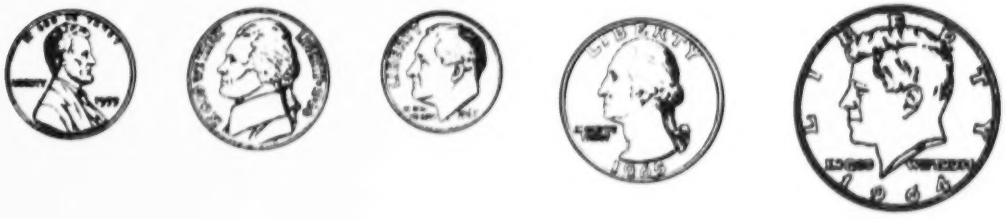
In the United States, the money that we see and often use is known as currency. Currency consists of coins and paper money and constitutes legal tender in the United States. Legal tender must be accepted for the payment of all debts unless the debt instrument itself specifically calls for another form of payment, such as, the delivery of commodities. Personal checks and travelers checks are *not* legal tender.

COINS

Coins are often referred to as "convenience money" because we use them in many of our daily transactions, such as buying lunch at school and buying small items at the store. The most frequently used coins today are the penny, nickel, dime, and quarter. Less commonly used is the half dollar.

All of these coins honor past U.S. Presidents. The one-cent piece honors Abraham Lincoln, the five-cent piece honors Thomas Jefferson, the ten-cent piece honors Franklin D. Roosevelt, the twenty-five-cent piece honors George Washington, and the fifty-cent piece honors John F. Kennedy.

PENNY NICKEL DIME QUARTER HALF DOLLAR



5 dimes = 1 half dollar
10 nickels = 1 half dollar
2 quarters = 1 half dollar

10 dimes = 1 dollar
20 nickels = 1 dollar
4 quarters = 1 dollar
2 half dollars = 1 dollar

All U.S. coins are produced by the Bureau of the Mint, also known simply as the Mint. The Mint is a division of the United States Treasury Department, and its operating units are located in Philadelphia, Denver, and San Francisco.

Distribution

The Federal Reserve System determines how much money is needed for economic activity and supplies the amount needed. Coins and paper currency are put into or retired from circulation by Federal Reserve Banks. Federal Reserve Banks use commercial banks and other depository institutions as the channel of distribution to the public. When these institutions need to replenish their supplies of currency, they order coins and notes from the Federal Reserve Bank or Branch in their area, and the face value of that currency is charged to their accounts at the Federal Reserve. When the public's need for currency declines, and depository institutions return excess cash to a Federal Reserve Bank, the dollar value of the currency is credited to the account of the depository institution.

Before being issued to the public, Federal Reserve notes, or paper money, must be secured by legally authorized collateral, most of which is in the form of U.S. government and federal agency securities held by Federal Reserve Banks.

Supply and Demand

The public's need for money changes from time to time. The need for money may increase or decrease on different days of the week, on certain days of the month, and during different seasons. In agricultural regions the need for money is heavy during seasons when crops are being harvested. Throughout the country, the need for money increases immediately before holidays such as Easter, Labor Day, and Thanksgiving because these are periods when many people take trips, buy clothing, or for other reasons spend more money than usual. There is an extraordinary increase of currency in circulation in the days immediately before Christmas when money is used for shopping. After these holiday periods, excess money is redeposited in banks by merchants and other owners of businesses with whom the money has been spent. These banks, in turn, send the money to the Federal Reserve Banks.

In addition to daily, monthly, and seasonal changes in the need for money, there are changes in need that reflect changes in economic conditions. When economic activity is increasing, the need for money increases. When economic activity slows down, the need for money declines. From time to time, growth in population and changes in public buying habits contribute to changes in economic activity, which, in turn, contributes to changes in the need for currency.

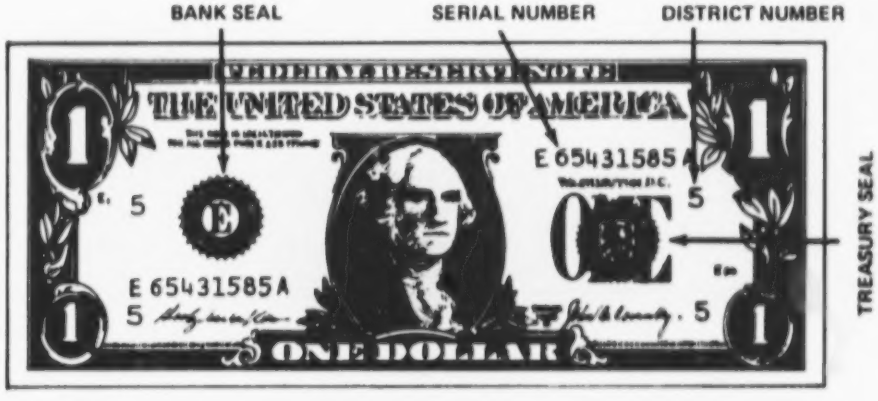
PAPER CURRENCY

Federal Reserve Notes

By far the largest portion of currency is paper money and most of our paper money consists of Federal Reserve notes. Federal Reserve notes are issued in denominations of $1, $2, $5, $10, $20, $50, and $100. These notes are produced or printed by the Bureau of Engraving and Printing, which also designs, engraves, and prints other official items such as postage and tax stamps. After the notes are printed, they are turned over to the 12 Federal Reserve Banks, which distribute them to banks in their district.

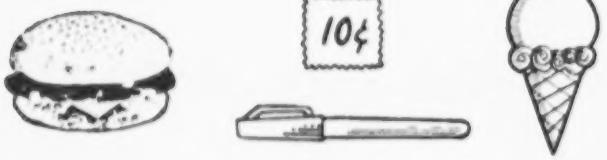
You can easily tell which Federal Reserve Bank authorized a particular note by looking at the Bank seal on the note, printed in black at the left of the portrait and showing the name of the Bank in the circle. The letter corresponding to the district number of the Federal Reserve Bank appears in the center of the seal. The district number appears on both ends of the face of the note above and below the center area just inside the engraved border. For example, the Federal Reserve Bank of Richmond is headquarters for the Fifth District. Notes issued by that Bank, therefore, carry the fifth letter of the alphabet "E" in the center of the Bank seal and the number "5" on the left and right, above the center area.

One Dollar Federal Reserve Note



VALUE OF MONEY

Twenty years ago, one dollar was equal to 4 quarters or 10 dimes or 20 nickels or 100 pennies. This one dollar could buy a hamburger, a postage stamp, an ice cream cone, and a pen.



Today, one dollar is still equal to 4 quarters or 10 dimes or 20 nickels or 100 pennies, but this dollar can buy only a postage stamp and a pen.

Money's real value can be measured only in terms of the amount of goods and services that it will buy. This means that when prices of goods and services rise, money has less value. However, when prices fall, money has more value. Put very simply, one can say that the value of money goes in the opposite direction of the general price level.

Money, like anything else, derives its value from its scarcity. Assuming a constant rate of use, if the volume of money grows more rapidly than the rate at which goods and services are produced, prices will rise. This will happen because there will be more money to spend than goods and services to buy at prevailing prices. On the other hand, if the growth in the money supply does not keep pace with the economy's current production of goods and services, prices will fall, and the value of money will increase.

Remember, money in itself is useless. It can serve as a medium of exchange, but it works only when all people in the community are willing to accept it. In a modern economy, this "general acceptability" rests on a nation's ability to keep its money's purchasing power relatively stable. In the United States, the Federal Reserve System is one of the nation's institutions that is primarily concerned with keeping the purchasing power of the nation's money relatively stable. Through its ability to influence the nation's money supply, the Federal Reserve System pursues a monetary policy aimed at avoiding the extremes of inflation and recession, while encouraging economic growth.

EVALUATION QUESTIONNAIRE

MY MONEY — Part IV

Teacher: _____

School: _____

City and State: _____ Zip _____

1. Were the purposes and objectives clear? Yes _____ No_____

2. In your opinion, what is the proper grade level for this part? _____

3. Did you decide to use the tests as regular classroom evaluations? Yes _____ No _____

4. Did the students have difficulty reading the information in the booklet? Yes _____ No _____

5. How would you rate the overall performance of your students on the tests?
   Excellent _____ Good _____ Fair _____ Poor _____

6. Please indicate your overall appraisal of Part IV (please check one).
   Excellent _____ Good _____ Fair _____ Poor _____

Please send this evaluation to:

James F. Tucker
Research Department
Federal Reserve Bank of Richmond
P.O. Box 27622
Richmond, Virginia 23261

TESTS

MY MONEY — Part IV

by
James F. Tucker and Barbara W. Garber
Federal Reserve Bank of Richmond

Instructions: Place the letter of the WORD/PHRASE in the right column on the line next to the matching TERM in the left column.

TERM			WORD/PHRASE
1.	_____	added to their accounts	A. U.S. government securities
2.	_____	money's real value	B. produces all coins
3.	_____	determines the need for money in the United States	C. legal tender
4.	_____	Bureau of Engraving and Printing	D. increased need for money in the economy
5.	_____	all currency	E. charged to their accounts
6.	_____	the Mint	F. Federal Reserve System
7.	_____	Christmas shopping period	G. amount of goods and services that it will buy
8.	_____	legally authorized collateral	H. credited to their accounts
9.	_____	serves as medium of exchange	I. money
10.	_____	deducted from their accounts	J. prints Federal Reserve notes

Instructions: Check TRUE or FALSE.

1. Travelers checks are legal tender.

   ____ True ____ False

2. Money in itself is useless.

   ____ True ____ False

3. If the volume of money grows more rapidly than the rate at which goods and services are produced, prices will fall.

   ____ True ____ False

4. When the prices of goods and services fall, money has less value.

   ____ True ____ False

5. In the United States, currency is the only legal tender provided by the government under its sovereign power.

   ____ True ____ False